



DEOKI BIJAY & CO.

Chartered Accountants

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2nd Floor

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Kolkata- 700 012

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Statements enclosed:

Audit Report for the year ending 31st March 2008

Balance Sheet as at 31st March 2008

Profit & Loss account for the year ending 31st March 2008

Cash Flow Statement for the year ending 31st March 2008

of

BMW INDUSTRIES LIMITED

12/2, Park Mansion 57 A Park Street
Kolkata 700 016



DEOKI BIJAY & CO.

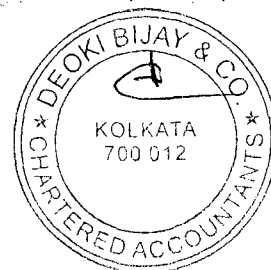
Chartered Accountants

213C Jabakusum House, 34 Chittaranjan Avenue, Kolkata -12, Ph: 22121110 / 30229291
Cell 94330 39556 Email: deokinagrawal@rediffmail.com, dbc_kol@yahoo.co.in

Auditors' Report

The Members
BMW Industries Limited

- 1) We have audited the attached Balance Sheet of BMW Industries Limited as at 31st March, 2008, the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2) We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub section (4A) of Section 227 of the Companies Act, 1956 (the "Act") and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we give in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- 4) Further to our comments in the Annexure referred to in Paragraph (3) above, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, Profit and Loss Account and Cash Flow Statement referred to in this report are in agreement with the books of Account;
 - d. In our opinion, the Balance Sheet, the Profit and Loss Account and Cash Flow Statement referred to in this report subject to non preparation of consolidated account of the company and its subsidiaries in terms of Accounting Standard (AS 21) on consolidated financial statements, as given in Note No.25 of schedule 17, comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956;





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Chartered Accountants

- e. On the basis of written representations received from directors and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31 March, 2008 from being appointed as a director in terms of clause (g) of Sub-Section (1) of Section 274 of the Act;
- f. In our opinion and to the best of our information and according to the explanations given to us, the said financial statements *subject to (i) Note No.3 regarding sundry debtors, sundry creditors, Banks and other Balances being subject to confirmation/ reconciliation and consequential adjustments, if any, which may arise there from, impact presently not ascertainable, (ii) Note no.6(a) regarding certain old debts and advances which have been carried forward at the book values, the exact status and adjustments if any, arising are presently not ascertainable, (iii) Note No.6(b) regarding loans and advances made to certain body corporate pending prior approvable and other compliances stated therein consequential impact of which is not ascertainable, (iv) Note no.22 regarding certain transaction entered with certain parties pending prior approvable and other compliances stated therein consequential impact of which is not ascertainable and read together with other notes of schedule 17 give the information as required by the Act in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India:-*
- i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2008;
- ii) in the case of Profit and Loss Account, of the profit for the year ended on that date; and
- iii) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Kolkata

Dated the 2nd day of September, 2008



For DEOKI BIJAY & CO.
Chartered Accountants

(CA. D. N. AGRAWAL)
Partner

Membership No. 51157



Annexure to the Auditors' Report

(This is the Annexure referred to in paragraph 3 of our Report of even date to the members of BMW Industries Limited on the financial statements as on and for the year ended 31ST MARCH, 2008)

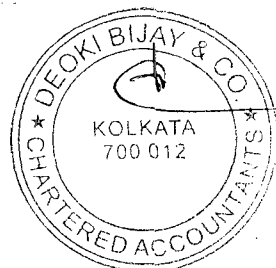
- I. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) According to the information and explanations given to us, fixed assets of the Company have been physically verified according to a phased programme of verification, which in our opinion is reasonable having regard to the size of the Company and the nature of its fixed assets. During the year, physical verification has been carried out for major plant and machinery and as explained no material discrepancy, to the extent reconciled with the fixed asset records, have been noticed on such verification.
- c) In our opinion, during the year, the Company has not disposed off substantial part of its fixed assets.
- II. a) The inventories excepting scraps have been physically verified by the management during the year. In our opinion and according to the information and explanations given to us, the frequency of such verification is reasonable.
- b) According to the information and explanations given to us, in our opinion, except for scraps as aforesaid, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
- c) The Company is maintaining proper records of inventories. As explained to us, discrepancies noticed on the physical verification of inventories as compared to the book records were not material.
- III. a) The Company has not granted unsecured loan during the year under report to parties covered in the register maintained under Section 301 of the Act. However out of the loans granted to such parties in earlier years, maximum amount involved during the year and year end balance of loans are Rs 4,30,39,488/- and Rs 4,30,39,488/- respectively.
- b) In our opinion and according to the information and explanations given to us, the aforesaid loans are interest free and other terms and conditions of such loans are not *prima facie* prejudicial to the interest of the Company.
- c) According to the information and explanations given to us the aforesaid loans are repayable on demand and have been paid as and when demanded by the company.





DEOKI BIJAY & CO.
Chartered Accountants

- d) The aforesaid loans are repayable on demand and therefore the question of overdue amount does not arise.
- IV. In our opinion and according to the information and explanations given to us and on the basis of test checks carried out by us, there are adequate internal control system commensurate with the size of the Company and nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, generally, we have not prima facie come across the cases of continuing failure on the part of the management to correct major weaknesses with regard to internal control.
- V. a) According to the information and explanations provided by the management, we are of the opinion that particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that Section.
- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance to such contracts and arrangements have been made at a price which are reasonable having regard to the prevailing market price at the relevant time.
- VI. *In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits during the year from the public covered under Section 58A, 58AA or any other relevant provisions of the Act and rules framed there under.*
- VII. The Company has appointed a firm of Chartered Accountants as its internal auditor. In our opinion the audit is required to be strengthened to commensurate with the size and nature of business of the Company.
- VIII. As explained to us, cost records in respect of steel pipes and tubes as prescribed by the Central Government under clause (d) of sub-section (1) of Section 209 of the Act is required to be maintained by the Company. As explained to us the Company is in the process of maintenance of such records.
- IX. a) The Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including Employees' State Insurance, Service tax, Custom Duty, Excise Duty, Cess and other material statutory dues as applicable to it *except in cases of Provident Fund, Tax Deducted at Source, Advance tax, Sales Tax and Wealth Tax where it was not regular in depositing the respective statutory dues.* We are informed that there are no undisputed statutory dues as at the year end outstanding for a period of more than six months from the date they became payable except (i) Wealth tax Rs.60000/- .





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- b) As informed by the management, there are no dues of Sales Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty and Cess, which have not been deposited on account of any dispute except following:

Nature of Dues	Period to which related	Amount in Dispute	Forum where dispute is pending
Income - tax	Asst. Year 2003-04	(Commissioner Appeals)- Kol	Rs.1272563

- X. The Company does not have any accumulated losses at the end of the financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- XI. In our opinion and on the basis of information and explanations provided by the management, the Company has not defaulted in repayment of dues, if any, to financial institutions and banks. The Company has not issued any debentures.
- XII. According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- XIII. In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
- XIV. In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
- XV. The Company has not given guarantees for loans taken by others from banks.
- XVI. During the year, the Company has received term loans towards financing of steel service centers of the Company. Having regard to the amount spent before and subsequent to the disbursement of these loans in connection with the said service centers, the amount have been applied for the purpose for which such loans were obtained.
- XVII. According to the information and explanation given to us and based on an overall examination of the balance sheet of the Company, in our opinion, funds raised on short term basis have not been used for long term investment.



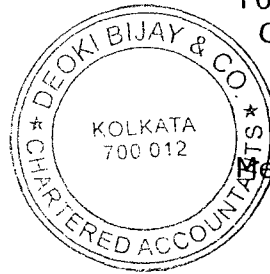


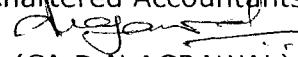
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Chartered Accountants

- XVIII. The Company has not made any preferential allotment of shares during the year under report.
- XIX. The Company has issued no debentures. Accordingly, provisions of clause 4(xix) of the Order are not applicable to the Company.
- XX. The Company has not raised monies by public issues during the year.
- XXI. During the course of our examination of books of account carried out in accordance with generally accepted auditing practices in India, *prima facie*, we have neither come across any incidence of fraud on or by the Company nor have we been informed of such cases by the management.

Kolkata

Dated the 2nd day of September, 2008



For DEOKI BIJAY & CO.
Chartered Accountants

(CA.D.N.AGRAWAL)
Partner
Membership No. 51157

BMW INDUSTRIES LTD.

BALANCE SHEET AS AT 31ST MARCH, 2008

	Schedule	31.03.2008 Rs.	31.03.2007 Rs.
SOURCES OF FUNDS			
SHAREHOLDER'S FUNDS			
Capital	1	124000000	124000000
Reserves and Surplus	2	915559588	752214233
LOAN FUNDS			
Secured loans	3	1192279192	762998191
Unsecured loans	4	<u>606429043</u>	1798708236
			7735834
DEFERRED TAX LIABILITY (NET)		60273840	17295224
		<u>2898541664</u>	<u>1664243482</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
	5		
Gross Block		1408937337	822629721
Less: Depreciation		<u>313756015</u>	<u>384532275</u>
Net Block		1095181322	438097446
Capital Work-in-progress		<u>170953160</u>	<u>310704398</u>
		1266134482	748801844
INVESTMENTS		115360347	195150348
CURRENT ASSETS, LOANS AND ADVANCES			
Inventories	7	480847298	113631743
Sundry debtors	8	591554023	232563008
Cash and bank balances	9	38269041	25039057
Loans and advances	10	<u>810938278</u>	<u>595416923</u>
		1921608640	966650731
LESS:			
CURRENT LIABILITIES AND PROVISIONS			
Liabilities	11	260716817	125754142
Provisions	12	<u>143844988</u>	<u>120605299</u>
		404561805	246359441
NET CURRENT ASSETS		<u>1517046835</u>	<u>720291290</u>
		<u>2898541664</u>	<u>1664243482</u>
NOTES ON ACCOUNTS			17

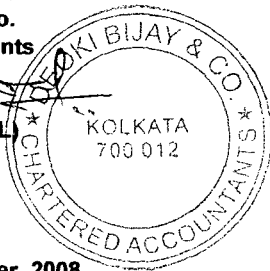
The schedules referred to above form an integral part of the Balance Sheet.

As per our report of even date

For Deoki Bijay & Co.
Chartered Accountants

(Signature)
(C.A. D.N. AGRAWAL)
(M.No. 051157)
Partner

Place: Kolkata
Dated: 2nd September, 2008



For and on behalf of the Board

(Signature)
Managing Director

(Signature)
Director

(Signature)
Company Secretary

576

BMW INDUSTRIES LTD.

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008

	Schedule	31.03.2008 Rs.	31.03.2007 Rs.
INCOME			
Sales	13	1727916353	656825179
Less: Excise Duty		83163850	24005165
		1644752504	632820014
Other income	14	13106001	27686615
Increase/(Decrease) in stock		199808288	18306976
		1857666793	678813605
EXPENDITURE			
Manufacturing, Administrative, Selling and Other expenses	15	1572774546	522494083
Excise Duty		26891191	5284111
Interest	16	91900657	29071490
Depreciation		41995738	
Less: Transferred from Revaluation Reserve		8361035	33634703
		1725201097	598436425
Profit before taxation and prior period adjustments		132465696	80377180
Surplus arising towards change in method of depreciation from WDV to SLM		58227638	
Prior period Adjustments (Net)		-59309	-305603
Profit before taxation		190634025	80071577
Provision for taxation			
	Current	-22000000	21200000
	Deferred	42978616	2032391
	Fringe Benefit	1239689	1086293
Profit after taxation		124415720	55752893
Balance brought forward from previous year		352082954	303583751
Profit available for appropriations		476498674	359336644
Appropriations :			
Proposed dividend		6200000	6200000
Corporate dividend tax		1053690	1053690
Balance carried to Balance Sheet		469244984	352082954
Earning per Share			
Basic & Diluted		10.03	4.50
Weighted average outstanding shares		12400000	12400000

NOTES ON ACCOUNTS

17

The schedules referred to above form an integral part of the Profit & Loss Account

As per our report of even date

For Deoki Bijay & Co.
Chartered Accountants

(Signature)
(C.A. D.N. AGRAWAL)
(M.No. 051157)
Partner



Place: Kolkata
Dated: 2nd September, 2008

For and on behalf of the Board

(Signature)
Managing Director

(Signature)
Director

(Signature)
Company Secretary

**BMW INDUSTRIES LTD.
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2008**

	31st March, 2008	31st March, 2007
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX & EXTRAORDINARY ITEMS	13,24,65,696	8,03,77,180
ADJUSTMENTS FOR -		
Depreciation	3,36,34,703	4,15,86,741
Sundry Balances W/O	1,27,712	24,65,696
Liabilities Written Back	(1,12,962)	(1,31,71,898)
Interest Paid	9,19,00,657	2,90,71,490
Interest Received	(31,90,057)	(1,15,43,897)
Prior Period Adjustments	(59,309)	(3,05,603)
Profit on sale of Assets	-	(29,61,775)
OPERATING EXPENSES BEFORE WORKING CAPITAL CHANGES	25,47,66,441	12,55,17,934
ADJUSTMENTS FOR -		
Trade & other receivables	(56,14,08,618)	(14,90,93,198)
Inventories	(36,72,15,555)	(6,89,04,674)
Trade Payable	13,50,75,636	2,18,47,570
CASH GENERATED FROM OPERATIONS	(53,87,82,096)	(7,06,32,368)
Direct Taxes Paid	(1,32,31,464)	(2,32,05,506)
NET CASH FLOW FROM OPERATING ACTIVITIES	(55,20,13,560)	(9,38,37,874)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(44,65,56,376)	(35,21,40,557)
Sale of Fixed Assets	-	63,34,436
Interest Received	31,90,057	1,15,43,897
Sale of Investments	7,97,90,000	(36,35,76,319)
NET CASH FLOW FROM INVESTING ACTIVITIES	(36,35,76,319)	(30,71,43,360)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	(9,19,00,657)	(2,74,14,131)
Bank Borrowings	42,92,81,002	45,68,46,917
Dividend Paid including corporate dividend tax	(72,53,690)	(70,69,550)
Long Term Borrowings	59,86,93,209	(2,99,91,292)
NET CASH FLOW FROM FINANCING ACTIVITIES	92,88,19,864	39,23,71,944
NET INCREASE IN CASH & CASH EQUIVALENTS (A+B+C)	1,32,29,985	(86,09,290)
Cash & Cash Equivalents as at 01.04.07(Opening Balance)	2,50,39,057	3,36,48,347
Cash & Cash Equivalents as at 31.03.08(Closing Balance)	3,82,69,041	2,50,39,057

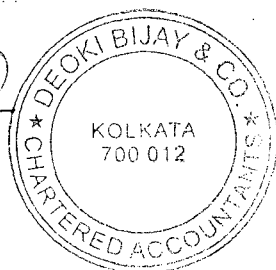
Note: Cash & Cash Equivalents represents cash in hand and deposits/balances with Banks

As per our report of even date

For Deoki Bijay & Co.
Chartered Accountants

(Signature)
(C.A. D.N.AGRAWAL)
(M.No. 051157)
Partner

Place: Kolkata
Dated: 2nd September, 2008



For and on behalf of the Board

(Signature)
Managing Director

(Signature)
Director

(Signature)
Company Secretary

BMW INDUSTRIES LTD.

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008

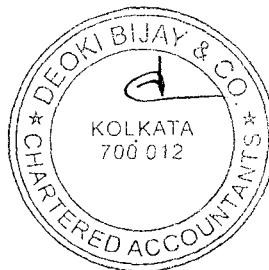
	31.03.2008 Rs.	31.03.2007 Rs.
1. SHARE CAPITAL		
Authorised 2,00,00,000 (p.y.2,00,00,000)equity shares of Rs. 10/- each.	<u>200000000</u>	<u>200000000</u>
Issued, subscribed and paid up 1,24,00,000(p.y.1,24,00,000) equity shares of Rs. 10/- each fully paid up.	<u>124000000</u> <u>124000000</u>	<u>124000000</u> <u>124000000</u>
2. RESERVES AND SURPLUS		
Capital Reserve		
State Capital Investment Subsidy from State Government	1500000	1500000
Revaluation reserve		
As per last Balance Sheet	55376453	64017185
Add: Due to change in Method of Depreciation	54544360	
Less: Transfer to Profit & Loss A/c	<u>-8361035</u>	<u>8640732</u>
	101559778	55376453
General Reserve		
As per last Balance Sheet	191254826	191254826
Share Premium		
As per last Balance sheet	152000000	152000000
Surplus in Profit and loss account	<u>469244984</u> <u>91559588</u>	<u>352082954</u> <u>752214233</u>
3. SECURED LOANS		
Term loans:		
UCO BANK	83909950	82711193
(secured by way of first parri passu mortgage alongwith other co lender bank/FIs on all fixed assets (including land and building, plant & machinery both present and future) of the steel service centre unit of the company. Further collaterly secured by extension of first parripassu alongwith other co lender bank/FIs hypothecation charge on all current assets of the steel service centre of the company. Further secured by personal guarantee of two directors of the Company)		
INDIAN OVERSEAS BANK	95093908	100965646
(secured by way of first parri passu hypothecation charge on entire plant & machinery, both present and future, of the steel service centre NH VI, Argori, Sankrail, Howrah. Further collaterly secured by current assets on pari passu basis including first parri passu charge on plant & machinery (both present & future) of the said steel service centre. Further secured by personal guarantee of two directors of the company)		
c/f	<u>179003858</u>	<u>183676839</u>



BMW INDUSTRIES LTD.

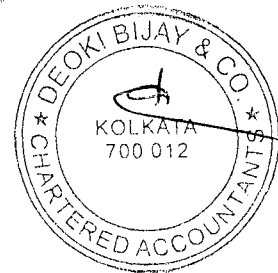
SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008

	31.03.2008	31.03.2007
	Rs.	Rs.
b/f	179003858	183676839
UNITED BANK OF INDIA	389933314	104594511
<p>(secured primarily by exclusive 1st charge on the fixed assets of the Steel Service Centre, Ghamaria Unit at Jamshedpur, Jharkhand, both present & future, by way of equitable mortgage of the immoveable assets and hypothecation of plant & machineries and other movable fixed assets of the Ghamaria Unit at Jamshedpur, Jharkhand. Further secured by personal guarantee of three directors of the Company)</p>		
Cash Credit from		
a) United Bank of India	136140371	109655018
<p>(secured by first hypothecation charge on current assets and moveable, plant & machinery and first mortgage charge of land and building of Unit-I, located at G.T. Road and Rolling Mill Division at Hazibagan, respectively and guaranteed by three directors of the company)</p>		
b) Bank of India	141880998	140193672
<p>(secured by first hypothecation charge on current assets and moveable, plant & machinery and first mortgage charge of land and building of Unit-I, located at G.T. Road and guaranteed by three directors of the company)</p>		
c) UCO Bank	147616862	136960054
<p>(secured by way of first parri passu hypothecation along with other co lender bank of all the current assets of the steel service centre of the company including Raw materials, work in process, finished goods and sundry debtors. Further collaterly secured by extension of first parri passu mortgage charge along with other co lenders on all fixed assets (incl. Land & Building, plant & machinery both present & future) of the steel service centre of the company. Further secured by personal guarantees of two directors of the company).</p>		
d) Indian Overseas Bank	138160347	80474472
<p>(secured by way of first parri passu charge on entire current assets relating to the steel service centre NH VI, Argori, Sankrail, Howrah. Further collaterly secured by extension of first parri passu charge on the entire Block of assets (incl. Land & Building, plant & machinery (both present & future) of the steel service centre unit. Further secured by personal guarantee of two directors of the company.)</p>		
Other finances from banks	56196306	2368967
<p>(secured by hypothecation of vehicles & other machinery acquired)</p>		
Loans from Bodies Corporate	3347137	5074658
<p>(secured by hypothecation of vehicles & other machinery acquired)</p>		
	1192279192	762998191
4. UNSECURED LOANS		
From Bodies corporate	199929043	7735834
From Bank	400000000	0
From Directors (Interest free)	6500000	0.00
	606429043	7735834



SCHEDULE -5 : FIXED ASSETS

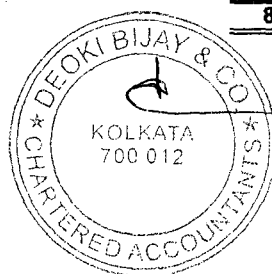
DESCRIPTION	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	SALE/				AS AT 31.03.07	Adjustments	FOR THE YEAR	Sale	AS AT 31.03.08	AS AT 31.03.08	AS AT 31.03.07
	AS AT 31.03.07	ADDITIONS	ADJUSTMENTS	AS AT 31.03.08							
FREEHOLD LAND & LAND DEVELOPMENT	30710929	29194678	0	59905607	0	0	0	0	0	59905607	30710929
LEASEHOLD LAND & LAND DEVELOPMENT	32082610	13075442	0	45158052	0	0	0	0	0	45158052	32082610
BUILDINGS *	176786654	139734144	0	316520998	52121274	29268761	6384249	0	29236762	287284235	124665580
PLANT & MACHINERY	548539191	395813190	0	944352381	315038543	66658254	32673196	0	281053485	663298896	233500649
FURNITURE & FIXTURES	4286085	2712223	0	6998308	2408007	2013239	459638	0	854406	6143902	1878078
VEHICLES	30224053	5777938		36001991	14964451	14831744	2478655	0	2611362	33390629	15259602
TOTAL	822629722	586307615	0	1408937337	384532275	112771998	41995738	0	313756015	1095181322	438097448
PREVIOUS YEAR	704587842	120645672	2603792	822629722	336499477	0	50227473	2194675	384532275	438097446	



BMW INDUSTRIES LTD.

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008

	31.03.2008 Rs.	31.03.2007 Rs.
6. INVESTMENTS (Refer note no.11)		
Trade Investments, Long Term Unquoted Equity Shares (Fully Paid up) in		
Subsidiary Companies		
Sail Bansal Service Centre Limited (4800000 equity shares of Rs.10/- each, Face Value Rs.10/- each)	48000000	48000000
Bansal Nepal Private Limited (508693 equity shares of Nepalese Rs.100/- each, Face Value of Nepalese Rs.100/- each)	31793313	31793313
Others		
Utkarsh Tubes Pvt. Ltd. (subsidiary till 30.3.2006) (607600 equity shares of Rs.10/- each, Face Value Rs.10/- each (Previous Year 2207600 equity shares))	31757035	115357035
Incore Metals and Cement Pvt. Ltd. (30000 equity shares of Rs.100/- each, Face Value Rs.100/- each (Previous Year nil equity shares))	3810000	0
	115360347	195150348
7. INVENTORIES		
Stores and spare parts	6838898	5396919
Raw materials	233299931	67334643
Finished goods	240708468	40900181
	480847298	113631743
8. SUNDRY DEBTORS (Unsecured)		
a) Debts outstanding for a period exceeding six months -		
Considered good	42795177	42932725
b) Other debts		
Considered good	548758846	189630283
	591554023	232563008
9. CASH & BANK BALANCES		
a) Cash in hand (as certified by the management)	6122864	3217536
c) Balances with scheduled banks on margin account (pledged against guarantees issued by the bank)	16128301	9540497
Fixed deposit receipts (pledged with a bank against overdraft facilities)	1900000	6900000
On current accounts	14117876	5381024
	38269041	25039057
10. LOANS AND ADVANCES (Unsecured, considered good by the management except stated otherwise)		
a) Advances recoverable in cash or in kind or for value to be received	532472107	398414099
b) Advances with bodies corporate towards equity participation	8214574	8214574
c) Other Receivables	7500000	9671500
d) Income tax advance (including tax deducted at source)	79465069	67233605
e) Fringe Benefit Tax Advance	3187210	2187210
f) Deposit with Government Departments	180099317	109695935
	810938278	595416923



BMW INDUSTRIES LTD.

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008

	31.03.2008 Rs.	31.03.2007 Rs.
11. LIABILITIES		
a) Sundry Creditors	243564057	104630396
b) Advance from customers	16578407	17328481
c) Temporary overdrawn bank balance	574353	3795265
	260716817	125754142
12. PROVISIONS		
For income tax	120699604	98699604
For Fringe Benefit Tax	3296185	2056496
For works contract	12595509	12595509
For Proposed dividend	6200000	6200000
For corporate dividend tax	1053690	1053690
	143844988	120605299
13. SALES		
Pipes and Others, etc.	1381680928	320059155
Services and Others	346235427	336766024
	1727916353	656825179
Less: Excise Duty	83163850	24005165
	1644752504	632820014
14. OTHER INCOME		
Interest on deposits and others(Tax deducted at source Rs.311673/- ; Previous year Rs.2828391/-)	3190057	11543897
Liabilities no longer required written back	112962	13171898
Insurance Claims	232407	0
Profit on sale of Assets	0	2961775
Miscellaneous income	9570576	9045
	13106001	27686615



BMW INDUSTRIES LTD.

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008

	31.03.2008	31.03.2007
15. MANUFACTURING,ADMINISTRATIVE SELLING AND OTHER EXPENSES		
Raw materials consumed	1272828831	275010367
Purchase	0	1552621
Stores and spares consumed	56922639	53517535
Power and fuel	22744941	12377350
Wages and salaries	37432788	19862533
Labour charges	3700224	11361482
Job Charges	39119866	63960279
Contributions to provident and other funds	2358996	2766635
Workmen and staff welfare	4650891	2656825
Repairs to -		
Plant and machinery	1223708	1144569
Buildings	795746	467720
Others	3457916	901063
Loading and unloading charges	2011164	1033675
Carriage inward	8538761	10263085
Rates and taxes	4786919	5849157
Rent	3307598	2271203
Insurance	1414729	929673
Directors remuneration	942720	872120
Charity and donation	974202	1590880
Auditors remuneration	125000	125000
Brokerage and commission	22958	464526
Carriage outward	12680796	2938296
Provision for doubtful advances	127712	2465696
Miscellaneous expenses	92605444	48111793
	<u>1572774546</u>	<u>522494083</u>
16. INTEREST		
On term and other fixed period loan-	19160878	201755
On others	72739779	28869735
	<u>91900657</u>	<u>29071490</u>



17. ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS:

1 ACCOUNTING POLICIES

a) BASIS OF ACCOUNTING

The accounts, except in respect of certain fixed assets which are stated on revalued amount, have been prepared on the historical cost basis and on the accounting principles of going concern.

b) USE OF ESTIMATES

The preparation of financial statements require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures relating to contingent liabilities as at the Balance Sheet date and the reported amounts of income and expenses during the year. Difference between the actual results and estimates are recognized as and when, the results are known / materialized.

c) REVENUE RECOGNITION

i) All expenses and income to the extent considered payable and receivable respectively unless specifically stated to be otherwise are accounted for on mercantile basis.

ii) Revenue in respect of claims of insurance, exports incentives etc. are recognised only when there is reasonable certainty as to the ultimate collection.

iii) In respect of construction contracts, revenue is recognised on percentage completion basis when completion level is minimum 10%. Completion level is the percentage of revenue earned to total contract value net of discount. Warranty cost, penalties or possible losses that are dependent upon future events are recognised as and when these are ascertained/ascertainable.

d) SALES

Sales are inclusive of excise duty but net of Value Added Tax (VAT)/sales tax. Sales tax remission and freight charges collected/realised are included in Sales.

e) FIXED ASSETS

i) Fixed assets are stated at cost of acquisition/construction or at revalued amounts less depreciation.

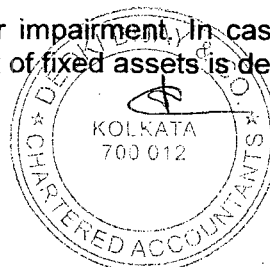
ii) Depreciation on fixed assets is provided for on straight line method in the manner and at the rates specified in Schedule XIV of the Companies Act, 1956.

iii) Leasehold land is being amortised over the remaining period of lease.

iv) Administrative and other preoperative expenditure incurred during the pre-operation period, after setting off recoveries incidental thereto and adjustments to be made there against, are allocated to respective assets.

f) IMPAIRMENT

Fixed assets are reviewed at each balance sheet date for impairment. In case, events and circumstances indicate any impairment, recoverable amount of fixed assets is determined. An



impairment loss is recognized, whenever the carrying amount of assets exceeds the recoverable amount. The recoverable amount is greater of assets net selling price or its value in use. In assessing the value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rates. An impairment loss is reversed if there has been change in the recoverable amount and as such, loss no longer exists or has decreased. Impairment loss/reversal thereof is adjusted to the carrying value of the respective assets.

g) INVESTMENTS

Long term investments have been valued at cost, less provision for diminution in their value, if any, not temporary in nature. Current Investments are valued at lower of cost or fair value.

h) INVENTORIES

i) Inventories are valued at lower of cost or net realisable value. Cost of raw materials includes the purchase price as well as incidental expenses. The cost in respect of raw materials is determined on First in First out basis.

ii) Finished goods are valued at weighted average cost, or on net realisable value whichever is lower. Excise duty is considered as cost for valuation. Cost of finished goods and work in progress represents materials, direct labour and appropriate portion of overhead expenses allocated against the same.

iii) Scrap generated is valued at net realisable value.

iv) Cost in respect of stores and spares is determined on weighted average basis.

i) RETIREMENT BENEFITS

Retirement benefits are accounted for on accrual basis. Contribution to gratuity funds is being made under cash accumulation scheme of Life Insurance Corporation of India. Contributions to Provident Funds are charged to the Profit and loss account.

j) FOREIGN CURRENCY TRANSACTION

Transactions in foreign currencies are accounted for at the exchange rate prevailing on the date of transaction. Foreign currency monetary assets and liabilities at the year end are translated using the closing exchange rates whereas non-monetary assets are translated at the rate on the date of transaction. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expenses and are adjusted to the profit and loss account except in cases where a) where such liabilities and/or transactions relate to fixed assets/projects and were entered into before 1.4.2004, b) where fixed assets have been acquired from a country outside India in which case, these are adjusted to the cost of respective fixed assets.

k) GOVERNMENT GRANTS

Grants from Government relating to fixed assets are shown as a deduction from the gross value of fixed assets and those of the nature of capital subsidy are credited to Capital Reserve. Other Government grants including incentives etc. are credited to the profit and Loss Account or deducted from the related expenses.



I) BORROWING COST

Borrowing cost incurred in relation to the acquisition, construction or production of a qualifying asset is capitalised as part of the cost of such asset upto the date when such assets are ready for intended use or sale. Other borrowing costs are charged as an expense in the year in which they are incurred.

m) TAXATION

Provision for tax is made for current, deferred and fringe benefit taxes. Current Tax is provided on the taxable income using the applicable tax rates and tax laws. Deferred tax assets and liabilities arising on account of timing differences, which are capable of reversal in subsequent periods are recognised using tax rates and tax laws, which have been enacted or substantively enacted. Deferred Tax Assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realized. In case of carry forward of unabsorbed depreciation and tax losses, deferred tax assets are recognized only if there is "virtual certainty" that such deferred tax assets can be realized against future taxable profits.

n) PROVISIONS, CONTINGENCIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent assets are neither recognized nor disclosed in the financial statements. Contingent liabilities are not provided for and are disclosed by way of notes.

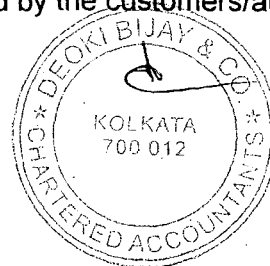
2 a) The Gross block of fixed assets includes revaluation as on 31st March 1994, 31st March, 1997 and 31st March, 2000 carried out by approved valuer on the basis of Net Replacement value and consequential increase in value of fixed assets amounting to Rs. 3,46,71,251/ (Previous year 3,46,71,251/), Rs. 2,07,54,054/- (Previous year Rs. 2,07,54,054/-) and Rs. 12,47,56,830/- (Previous year Rs. 12,47,56,830/-) were correspondingly credited to Revaluation Reserve with respect to these assets.

b) Depreciation on incremental value of Plant and Machinery and Buildings due to revaluation has been charged at the rates as prescribed under Schedule XIV to the Companies Act, 1956 and equivalent amount has been transferred from Revaluation Reserve Account to Profit and Loss Account amounting to Rs. 8361035/- (Previous Year Rs. 8640732/-)

c) The company has changed the method of depreciation from written down value to straight line method (SLM) in the current financial year. Further the depreciation has been recalculated as per SLM from the date of assets coming into use in accordance with AS 6 (revised) issued by The Institute of Chartered Accountants of India. The resultant surplus to the extent of Rs. 58227638/- (Net of revaluation reserve Rs. 54544360/-) upto March 31, 2007 has been credited to Profit & Loss Account.

3 Balances of sundry debtors, sundry creditors, fixed deposits with banks, security and other deposits, other liabilities, certain bank balances (including on account of term loans and balances in margins) and advances, secured and unsecured loans to/from body corporates are subject to confirmation/reconciliation and consequential adjustments, if any, arising there from.

4 Escalation bills are accounted for on the basis of rates notified by the customers/authorities upto the year end.



5(a) Contingent Liabilities not provided for:

i) Counter guarantees issued by the Company to banks, in respect to bank guarantees issued, amounting to Rs.161283010/- (Previous Year Rs. 96743057/-)

ii) Corporate Guarantee issued by the Company amounting to Rs. 1213.43 lacs (P.Y. Rs. 2113.43 lacs)

iii) Income Tax Demand for the Assessment year 2003-2004 pending under Appeal before Commissioner of Income Tax (Appeals), Kolkata, Rs. 1272563/- (P.Y. Rs. 1272563 /-).

5 (b) Estimated amount of contract remaining to be executed on capital account not provided for Rs. Nil (P.Y. Rs. 20630342 /-)

6(a) Sundry debtors as on 31st March 2008 includes Rs. 20705344/- (Previous year Rs. 29762970/-) which are outstanding since a considerable period. Necessary persuasive steps have been taken for realisation and as such no provisions against these are considered necessary.

(b) Advances recoverable (considered good) as on 31st March, 2008 includes Rs.43039488/- (P. Y. Rs 39902491) being advances made to BMW Ceramics Pvt. Ltd., BMW Infotech Pvt. Ltd. and JIT Steel Service Centre Pvt. Ltd. in which directors of the Company are interested as director / member. The Maximum amount outstanding at any time during the Year against the said advances were Rs.43039488/- (Previous year Rs. 49856094/-). Steps are being taken to comply with Sections 295, 372A and other relevant provisions of the Companies Act, 1956. Considering long term involvement with these companies, amounts outstanding have been considered good and recoverable.

7 In the opinion of the management, current assets and loans and advances will have value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

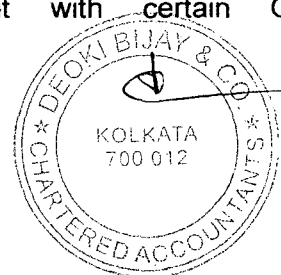
8 Profit and loss on sale of raw material remains adjusted in the respective consumption account.

9 In view of inadequate information from suppliers, total outstanding dues and the names of SSI where the amounts in excess of Rs.1 lac are outstanding for more than 30 days, disclosures as required under the MSMED Act, 2006 have not been disclosed/provided separately.

10 The Company has an investment of Rs. 4,80,00,000/- (P.Y.Rs.48000000/-) and Rs. 3,17,93,313 (P.Y.Rs. 3, 17,93,313/-) in the equity shares of the subsidiaries viz. Sail Bansal Service Centre Limited and Bansal Nepal Private Limited.

11 Miscellaneous Expenses include Rs.43845907/- (P.Y. Rs.14814589/-) incurred for processing/job charges.

15 Deposit with Government and other authorities include Rs.11394872/- (Previous Year Rs. 4471992/-) on account of earnest money deposit with certain Government Authorities/Departments against orders and tenders.



12 The Breakup of deferred tax assets and deferred tax liabilities is as given below:

	Opening as at 01/04/07	Charge/(Credit)	Closing as on 31/03/2008
Deferred tax Assets			
Expenses allowable on payment basis	3875278	-3863058	12220
Provision for doubtful advances	2596450	-2596450	0
	6471728	-6459508	12220
Deferred tax Liability			
Depreciation and related items	23766943	36519108	60286051
	17295215	42978616	60273831

13 Information about Segments for the year ended 31st March, 2008

i) Information about business segments:

Reportable Segments	INFRASTRUCTURE	STEEL SERVICE CENTRE	Steel and its product	Total
External Sales/Other Income	9,11,46,968 (13,08,17,928)	35,77,42,615 (38,48,55,828)	1,28,89,92,886 (15,72,77,521)	1,73,78,82,470 (67,29,51,277)
Inter segment Sales	-	-	-	-
Total Revenue	9,11,46,968 (13,08,17,928)	35,77,42,615 (38,48,55,828)	1,28,89,92,886 (15,72,77,521)	1,73,78,82,470 (67,29,51,277)
RESULT	1,93,88,039 (1,77,03,761)	14,26,55,384 (11,49,57,187)	(1,77,72,722) (-3137404)	14,42,70,701 12,95,23,544
Unallocated Income (Net of Expenses)				13,50,73,925 (-31618770.67)
Operating Profit				27,93,44,626 (9,79,04,773)
Interest Expenses	-	1,03,07,378 (2,13,19,586)	87,17,920 (68,88,620)	1,90,25,298 (2,82,08,206)
Unallocated Interest Expense				7,28,75,359 (8,63,285)
Interest Income	-	50,171 (4,35,343)	- (4,35,343)	50,171 (4,35,343)
Unallocated Interest Income				31,39,886 (1,11,08,554)
Prior Period Adjustments	(1,517)	(2,85,644)	(18,442)	(3,05,603)
Income Tax for earlier year				-
Income Tax- Current				2,20,00,000 (2,12,00,000)
Income Tax- Deferred				4,29,78,616 (20,32,391)
Fringe Benefit Tax				12,39,689 (10,86,293)
Net Profit				12,44,15,721 (5,57,52,893)
Other Information				
SEGMENT ASSETS	13,20,10,941 (10,93,23,301)	84,32,30,551 (63,47,92,523)	1,41,90,65,480 (43,74,81,089)	2,39,43,06,971 (1,29,17,99,113)
Unallocated Assets				90,87,96,498 (70,88,03,811)
Total Assets				3,30,31,03,469 (1,91,06,02,924)
SEGMENT LIABILITIES	3,05,52,165 (2,73,56,602)	37,28,90,170 (39,64,20,390)	1,08,29,16,664 (43,31,48,911)	1,48,63,58,999 (85,69,25,903)
Unallocated Liabilities				77,71,84,883 (17,74,62,786)
Total Liabilities				2,26,35,43,381 (1,03,43,88,689)
CAPITAL EXPENDITURE	-	24,87,16,690 (1,11,92,744)	33,17,45,411 (9,50,38,812)	58,04,62,101 (10,62,31,556)
Unallocated				58,45,514 (1,44,14,116)
Total				58,63,07,615 (12,06,45,672)
DEPRECIATION/AMORTISATION	22,31,911 (18,32,363)	2,72,38,624 (2,65,85,583)	90,41,708 78,52,182	3,85,12,243 (2,05,65,764)
Unallocated				34,83,313 (53,16,612)
Total				4,19,95,756 (2,58,82,376)
Break-up of segment Revenue				
Sales	8,80,17,968 (13,06,93,037)	35,76,92,445 (37,17,99,736)	1,28,22,05,942 (15,43,32,366)	1,72,79,16,355 (63,68,23,179)
Other Income				-
Export Incentive				-
Liabilities Written Back	(1,24,871)	(1,30,47,027)	1,12,961	1,12,961 (1,31,71,898)
Exchange Rate Fluctuation				-
Profit on Sale of Assets			(29,45,155)	(29,45,155)
Miscellaneous Income	31,29,000	50,171 (9,045)	66,73,983	98,53,154 (9,045)
Total	9,11,46,968 (13,08,17,928)	35,77,42,615 (38,48,55,828)	1,28,89,92,886 (15,43,32,366)	1,73,78,82,470 (67,29,51,277)

i) The business segment has been considered as primary segment. The Company has identified the following business segments taking into account products or group of related products that is subject to risks and returns that are different from those of other business segments, the organisation structure and the financial reporting system.

2007-08	2006-07
Identified Segments	
Steel Service Centre	Steel Service Centre
Infrastructure	Infrastructure
Steel & Its Products	Others

Steel Service Centre conversion of materials including Services rendered thereagainst.
Infrastructure Road Construction
Others Includes manufacturing and sale of towers and sleeves
Steel & Its Products Rolling Mill and Tower division

ii) Information about secondary business segments:

There is no item to be reported under/related to this, since the related segment results, assets and sales outside India Rs. Nil.(Previous Year Rs.Nil)



14 Related parties disclosure as identified by the management in accordance with the Accounting Standard 18 on " Related Party Transactions" issued by the Institute of Chartered Accountants of India is as follows:

a) Parties where control exists (subsidiaries of the Company)

- i) Bansal Nepal Pvt. Ltd.
- ii) SAIL-BANSAL Service Centre Ltd.

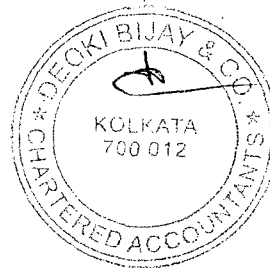
b) Key Management Personnel(KMP) and relatives of KMP having control over the Company

Mr.Ramgopal Bansal, Mr. Harsh Bansal, Mr. Ashok Sharma, Mr. Vivek Bansal, Mrs. Premlata Bansal

c) Parties where KMP along with their relatives have significant influence

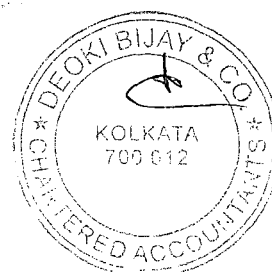
- i) Bansal business Pvt. Ltd.
- ii) BMW Infrastructure Ltd
- iii) BMW Infotech Pvt. Ltd.
- iv) BMW Ceramics Pvt. Ltd.
- v) JIT Steel Service Centre Pvt. Ltd.
- vi) Bansal Trading Co.
- vii) Eskay Steel Fabricators
- viii) JIT Transport Organisation
- ix) Saduram bansal & Sons Ltd.

	2007-08	2006-07	2007-08	2006-07	2007-08	2006-07
Transactions	(a)		(b)		(c)	
INCOME						
Sales						
SAIL-BANSAL Service Centre Ltd.	0	0				
Interest						
BMW Infrastructure Ltd.					0	505946
EXPENSES						
JIT Transport Organisation					2465415	2055900
JIT Steel Service Centre Ltd.					0	8434690
SAIL-BANSAL Service Centre Ltd.	2071928					
Purchase of Material						
SAIL-BANSAL Service Centre Ltd.	43634973	3718212				
Remuneration						
RamGopal Bansal			483120	483120		
Ashok Sharma			240000	240000		
Rent						
RamGopal Bansal			24000	24000		



Transactions	(a)		(b)		(c)	
OTHER TRANSACTIONS						
Purchase of Capital Goods						
Loans/Advances Given(net)						
SAIL-BANSAL Service Centre Ltd.	57188502	1308382				
BMW Infrastructure Ltd.					933872	12789993
Ram Gopal Bansal			0	600000		
BMW Infotech Pvt. Ltd.					8400	3500
Vivek Bansal			545000	127369		
Harsh Bansal			250997	0		
Ashok Sharma			148583	0		
JIT Steel Service Centre Pvt. Ltd.					801175	0
BMW Ceramics Pvt. Ltd.					2327944	5049300
JIT Transport Organisation					0	2242179
Bansal Nepal Pvt. Ltd.	307247	398266				
Bansal business Pvt. Ltd.					11400	7312651
Sadhuram Bansal & Sons Ltd.					11250	1210250
JIT Transport Organisation					5130411	0
Loans/Advances received						
Ram Gopal Bansal			6500000	0		
Outstandings						
Receivable						
Bansal Nepal Pvt. Ltd.	8521821	8214574				
SAIL-BANSAL Service Centre Ltd. (net)	10871218	0				
Utkarsh Tubes private limited						
Ram Gopal Bansal			0	1679339		
Harsh Bansal			326763	75766		
Vivek Bansal			642369	127369		
Ashok Sharma			318225	169642		
BMW Ceramics Pvt. Ltd.					42195015	39867071
JIT Transport Organisation					0	5898425
BMW Infotech Pvt.Ltd.					43820	35420
BMW Infrastructure Ltd					14276852	13342980
JIT Steel Service Centre Pvt. Ltd.					800654	0
Payable						
SAIL BANSAL Service Centre Ltd.	0	610383				
Utkarsh Tubes private limited						
Bansal business Pvt. Ltd.					2323582	2334982
Ram Gopal Bansal			4985201	0		
Vivek Bansal			0	30000		
JIT Steel Service centre					0	521
JIT Transport Organisation					1697401	0
Sadhuram bansal & Sons Ltd.					2276399	2287649

Note: The amounts written off/written back in respect of debts due from or to related parties Rs. Nil.



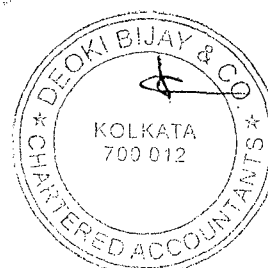
16	Expenditure in foreign currency : Traveling & others	31.03.2008 Rs.6,98,050/-	31.03.2007 Rs.7,92,823/-
17	Earning in foreign exchange FOB value of exports	Rs.Nil/-	Rs.Nil/-
18	C.I.F. value of imports Raw Material and Stores & Spares Capital Goods	Rs.Nil/- Rs.91,01,396/-	Rs.Nil/- Rs.20197163/-
19	Remuneration paid to Managing Director/Whole Time Director Gross Salary Rs.9,39,120/- (Previous Year Rs. 723120/-)		
20	Auditors remuneration and expenses :	31.3.2008	31.3.2007
	Statutory Auditors -		
	Audit fees	100000.00	100000.00
	Tax audit fees	20000.00	0.00
	Certificates etc	5000.00	5000.00
		125000.00	125000.00

21 Advances recoverable in cash or in kind include Rs.22179793/- (P.Y. Rs. 25124603) being various expenses incurred, payments made to / on behalf of certain companies, for development of various projects.

22 The Company in current year and in earlier years has/had entered into transactions for purchase and sale of goods and services with certain companies, for which approval of Central Government as required under Section 297 of the Companies Act, 1956 has not been taken. Steps are being taken to regularise these transactions as per the provisions of the Companies Act, 1956.

24 Disclosures as required in terms of Accounting Standard 7 on "Accounting for Construction Contracts" are as follows:

(Amount in Rs.)		
	2008	2007
(a) Contract Revenue Recognised for the year	88017968	131059254
(b) Total costs incurred and recognised profits for contracts in progress at the reporting date	19388039	16418332
(c) Advances Received	0	0
(d) Amount of retentions for contracts in progress at the reporting date	2261625	6591034
(e) Gross Amount due from customers for contract work	11393281	6748869



23 Other informations pursuant to the provisions of Paragraph 3,4(C) & 4(D) of Part-II of Schedule VI to the Companies Act, 1956 are as under :

I. Analysis of raw materials consumed for production :

Description	Unit	31st March, 2008		31st March, 2007	
		Quantity	Rs.	Quantity	Rs.
Billets and Ingot	M.T.	9494	221806073	0.000	0
HRCoil/Sheet	M.T.	4014	110264396	4,708	11,93,43,104
Zinc	M.T.	331	68834073	120	2,36,13,840
Angles	M.T.	5089	173328832	2,256	4,84,63,990
Others incl. cons. Mat.			698595457		8,35,89,432
			1,27,28,28,831		27,50,10,367

II. Consumption of imported and indigenous raw materials, stores and loose tools and percentages of each to total consumption (for production) :

Description	Unit	31st March, 2008		31st March, 2007	
		Rs.	%	Rs.	%
a) Raw materials	Imported				
	Indigenous	1272828831	100	27,50,10,367	100
b) Stores & loose tools	Imported				
	Indigenous	56922639	100	5,35,17,535	100
		1329751470		32,85,27,902	

III. Particulars in respect of sales :

Description	Unit	31st March, 2008		31st March, 2007	
		Quantity	Rs.	Quantity	Rs.
Steel structure	M.T.	4005.35	143281626	0	0
Steel Pipes and Tubes	M.T.	824.22	18369355	684.031	1,83,77,255
Raw Materials & others sale	M.T.	24119.686	771257369	4,665.392	14,16,99,850
Scrap & byproduct	M.T.	966.45	19250438	576.500	86,86,778
Tower & Sleeves	M.T.	7717.677	429522138	2,795.758	15,12,95,272
Services and Others			346235427		33,67,66,024
Sales Value is inclusive of excise duty			1727916353		65,68,25,179

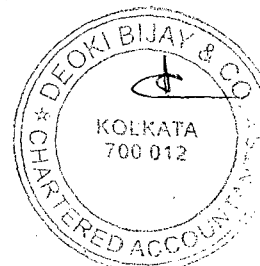
* Services and others includes Rs.2,96,10,752/- (Previous year Rs.80,34,060/-) towards freight charges realised from customers on despatch of materials processed on job work basis.

IV. Particulars in respect of opening & closing stock of finished goods :

Description	Unit	31st March, 2008		31st March, 2007	
		Quantity	Rs.	Quantity	Rs.
TOWER PARTS	M.T.	288.702	13982237	319.380	1,56,19,677
MS JOIST, ANGLE AND CHANNEL	M.T.	2081.890	76465363		
MS CHANNEL	M.T.	1479.440	54338085		
MS ANGLE	M.T.	1713.420	62931895		
PIPES INCLUDING SCRAP	M.T.	1115.340	32990888	1,153.781	2,52,80,504
			24,07,08,468		4,09,00,181

V. Quantitative information in respect of goods manufactured :

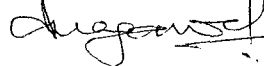
Description	Unit	31st March, 2008		31st MARCH 2007	
		Installed Capacity*	Actual Production	Installed Capacity*	Actual Production**
Steel structure			9280.000		0.00
Steel Pipes & Tubes	M.T	30000	18918.105	30,000	20,310.44
S.S. Mast/Tower & Sleeves	M.T	20000	7686.995	10,100	3,112.49
Processing of steels	M.T.	N.A.	278214	N.A.	2,19,212.68



25 As the financial statements of subsidiaries are not available, the consolidated accounts of the company and these subsidiaries have not been prepared in terms of Accounting Standard-21 on "Consolidated Financial Statements".

26 Figures for previous years have been regrouped/rearranged wherever necessary.

For Deoki Bijay & Co.
Chartered Accountants



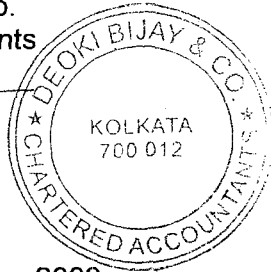
(C.A.D.N. Agrawal)

(M.No. 051157)

Partner

Place :Kolkata

Dated: 2nd September, 2008



Managing Director



Director



Secretary